GA1.13: RCED-90-108BR

United States General Accounting Office

GAO

Briefing Report to Congressional Requesters

45

April 1990

FARMING AND FARM PROGRAMS

Impact on the Rural Economy and on Farmers

GAO/RCED-90-108BR

GAO

United States
General Accounting Office
Washington, D.C. 20548

Resources, Community, and
Economic Development Division

B-238743

April 24, 1990

Congressional Requesters

In response to your June 13, 1989, request, this briefing report presents information on (1) the relative importance of farm sector employment (full-time and part-time) and nonfarm employment to the rural economy and (2) the distribution of farm program payments. We analyzed the payment distribution by production specialty, sales class, region of the country, and the level of income earned by farm operators on and off the farm. We also compared the distribution before and after passage of the Food Security Act of 1985 (commonly known as the 1985 farm bill).

In summary, the number of farming-dependent counties is decreasing, and nonagricultural employment in rural counties is increasingly important to those county economies. Nine out of 10 rural workers are employed by nonfarm industries. Over half of the United States farm families have one or more family members working at nonfarm jobs. Although about one-half of average total cash income is earned from employment off the farm, that percentage has remained relatively stable since at least 1979.

For the most part, the distribution of farm program payments did not change substantially after passage of the 1985 farm bill. During the 1985 through 1988 time period, cash grain farms received over half of all farm payments, the largest percentage of payments went to farms with sales of $100,000 to $249,999 and to farms in the Corn Belt Region. During the same period, the percentage of payments going to farms with a net cash farm income of $40,000 or more decreased, and it increased for those farms with a net cash farm income of $39,999 to -$9,999.

Our work was performed between August and December 1989. To assess the importance of farm and nonfarm employment to the rural economy, we relied on existing publications--most by the U.S. Department of Agriculture's (USDA) Economic Research Service (ERS)--see bibliography. We obtained the

payment distribution data from ERS's annual Farm Costs and Returns Survey. We analyzed payment data for calendar years 1985 through 1988--with 1985 being the period before the 1985 farm bill. We did not verify the accuracy of USDA's data and other sources of data.

We are sending copies of this briefing report to the Director, Office of Management and Budget; the Secretary of Agriculture; the Administrator, Economic Research Service; and other interested parties. If we can be of further assistance, please contact me at (202) 275-5138. Major contributors to this briefing report are listed in appendix II.

John W. Harman
Director, Food and
Agriculture Issues

List of Requesters

The Honorable E (Kika) de la Garza, Chairman
The Honorable Timothy J. Penny, Member
The Honorable Charles W. Stenholm, Member
The Honorable Robin Tallon, Member
The Honorable Tim Johnson, Member
The Honorable Bill Sarpalius, Member
The Honorable Charles Rose, Member
The Honorable Bill Schuette, Member
The Honorable James Jontz, Member
The Honorable Claude Harris, Member
The Honorable Martin Lancaster, Member
The Honorable Richard H. Stallings, Member
Committee on Agriculture
House of Representatives

CONTENTS

		Page
LETTER		1
SECTION		
1	IMPORTANCE OF FARM SECTOR ACTIVITIES TO THE RURAL ECONOMY	8
	Number of Farming-Dependent Counties is Decreasing	8
	Farmers are Increasingly Working Off Their Farms	11
2	DISTRIBUTION OF FARM PROGRAM PAYMENTS--1985 THROUGH 1988	13
	Payment Distribution by Production Specialty	13
	Payment Distribution by Sales Classes	16
	Payment Distribution by Geographic Region	17
	Payment Distribution by Level of Net Cash Farm Income	22
	Payment Distribution by Level of Income Earned Off the Farm	24
	Percentage of Farms Receiving Various Levels of Payments	26
APPENDIX		
I	FARM PROGRAM PAYMENT DATA TABLES	29
II	MAJOR CONTRIBUTORS TO THIS BRIEFING REPORT	41
BIBLIOGRAPHY		42
TABLE		
1.1	Days Worked Off The Farm	11
1.2	Off-farm Income as a Percentage of Farm Operators' Total Cash Income	12
I.1	Number of Participating Farms and Average Payment by Production Specialty, 1985	29
I.2	Number of Participating Farms and Average Payment by Production Specialty, 1986	29

I.3	Number of Participating Farms and Average Payment by Production Specialty, 1987	30
I.4	Number of Participating Farms and Average Payment by Production Specialty, 1988	30
I.5	Number of Participating Farms and Average Payment by Sales Class, 1985	31
I.6	Number of Participating Farms and Average Payment by Sales Class, 1986	31
I.7	Number of Participating Farms and Average Payment by Sales Class, 1987	32
I.8	Number of Participating Farms and Average Payment by Sales Class, 1988	32
I.9	Number of Participating Farms and Average Payment by Region, 1985	33
I.10	Number of Participating Farms and Average Payment by Region, 1986	33
I.11	Number of Participating Farms and Average Payment by Region, 1987	34
I.12	Number of Participating Farms and Average Payment by Region, 1988	34
I.13	Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1985	35
I.14	Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1986	35
I.15	Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1987	36
I.16	Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1988	36
I.17	Number of Participating Farms and Average Payment by Level of Off-farm Income, 1985	37
I.18	Number of Participating Farms and Average Payment by Level of Off-farm Income, 1986	37

I.19	Number of Participating Farms and Average Payment by Level of Off-farm Income, 1987	38
I.20	Number of Participating Farms and Average Payment by Level of Off-farm Income, 1988	38
I.21	Number of Participating Farms and Average Payment by Level of Government Payments, 1985	39
I.22	Number of Participating Farms and Average Payment by Level of Government Payments, 1986	39
I.23	Number of Participating Farms and Average Payment by Level of Government Payments, 1987	40
I.24	Number of Participating Farms and Average Payment by Level of Government Payments, 1988	40

FIGURE

1.1	Farming-Dependent Counties, 1950	9
1.2	Farming-Dependent Counties, 1981, 1982, 1984, 1985, 1986 (Average)	9
1.3	Rural Employment by Industry	10
2.1	Percentage of Farms by Production Specialty	14
2.2	Percentage of Payments Received by Farms by Production Specialty	15
2.3	Percentage of Farms by Sales Classes	16
2.4	Percentage of Payments Received by Farms by Sales Classes	17
2.5	Percentage of Farms by Region	18
2.6	Percentage of Payments Received by Farms by Region	20
2.7	Percentage of Farms by Net Cash Farm Income Level	23
2.8	Percentage of Payments Received by Farms by Level of Net Cash Farm Income	24

2.9	Percentage of Farms by Level of Income Earned Off the Farm	25
2.10	Percentage of Payments Received by Farms by Level of Off-farm Income	26
2.11	Percentage of Farms by Payment Level	27
2.12	Percentage of Total Payments Represented by Payment Levels	28

ABBREVIATIONS

USDA	U.S. Department of Agriculture
ERS	Economic Research Service

SECTION 1

IMPORTANCE OF FARM SECTOR ACTIVITIES TO THE RURAL ECONOMY

How important are farm sector activities (full-time and part-time) versus nonfarm-related activities to the rural economy?

NUMBER OF FARMING-DEPENDENT COUNTIES IS DECREASING

Over the years, a trend has existed toward more nonagricultural employment and less agricultural employment in rural counties.[1] Decades ago, the rural economy was dominated by farming. Currently, most rural areas depend on nonfarm industries-9 out of 10 rural workers are employed in nonfarm industries. Since the 1950s, the number of counties dependent on farming as an economic base has continued to decline. As defined by the ERS, farming-dependent counties are those counties where farming contributes at least 20 percent of the county's labor and proprietor income. Figures 1.1 and 1.2 illustrate this declining trend. In 1950, about 2,000 out of 3,069 counties were farming dependent, and by the mid-1980s this number had declined to 516.

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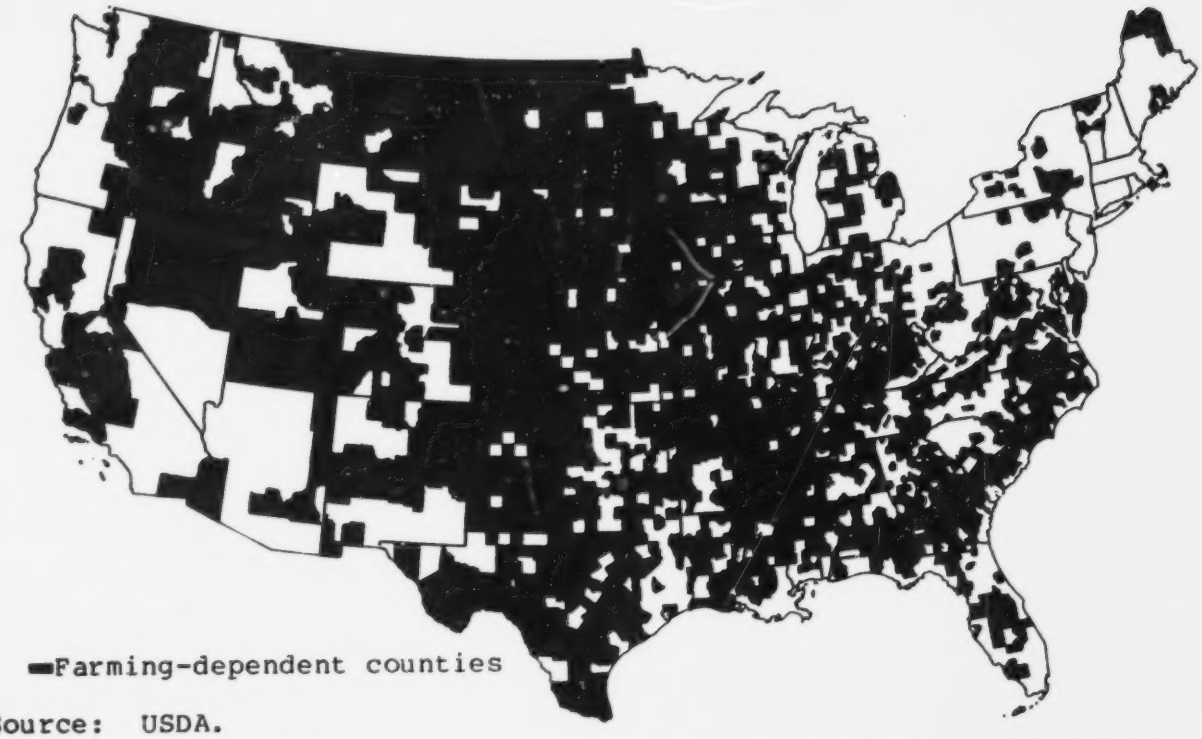
[1]We considered rural counties to be nonmetropolitan counties as defined by the Office of Management and Budget. Nonmetropolitan counties are counties that are not in Metropolitan Statistical Areas. Metropolitan Statistical Areas include core counties containing a city of 50,000 or more people, or contain several smaller cities totaling 50,000 or more people and a total area population of at least 100,000. Additional contiguous counties are included in the Metropolitan Statistical Area if they are economically and socially integrated with the core county.

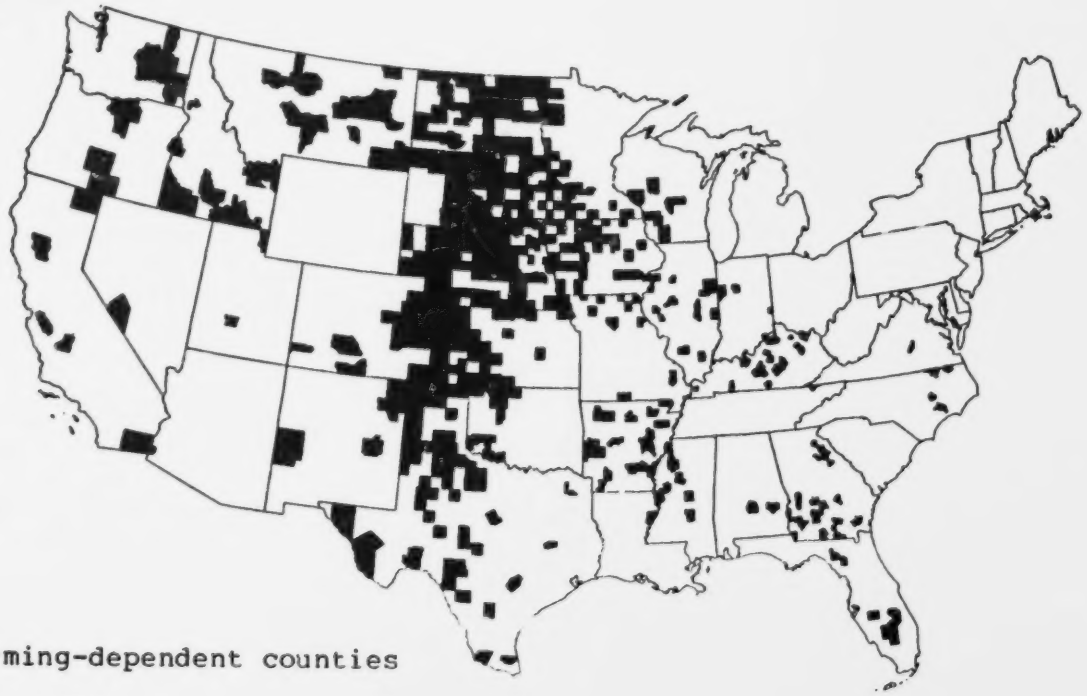
Figure 1.1: Farming-Dependent Counties, 1950



▬Farming-dependent counties

Source: USDA.

Figure 1.2: Farming-Dependent Counties, 1981,1982,1984,1985,1986 (Average)



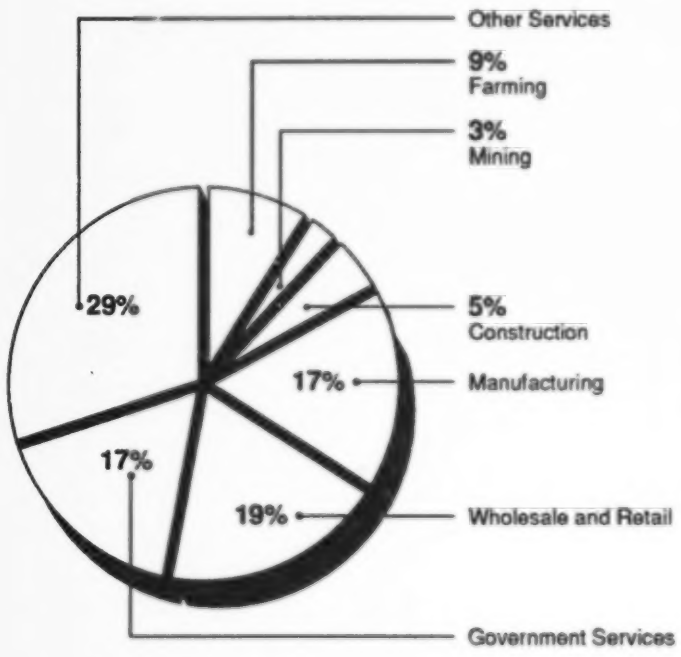
▬Farming-dependent counties

Source: USDA.

In the early 1980s, 514 counties were farming-dependent and 540 counties were farming-important, where farming contributed 10 to 19 percent of the county's labor and proprietor income. The remaining 2,015 counties are not farming-dependent or farming-important counties, because farming contributed less than 10 percent of the county's labor and proprietor income.

Figure 1.3 shows that as of 1986, most rural workers were employed in industries other than agriculture. Over 60 percent of rural workers were employed in the service industry, which was the leading source of rural job growth. Manufacturing employed about 17 percent of the rural job force, and farming employed 9 percent.

Figure 1.3: Rural Employment by Industry (1986)



Note: Percentages do not add to 100 percent due to rounding.

Source: USDA.

FARMERS ARE INCREASINGLY WORKING OFF THEIR FARMS

Most farm households depend on other sources of off-farm income in addition to farming income. Farm operators are spending increasing amounts of time at nonagricultural jobs off their farms. As table 1.1 illustrates, the number of days that farm operators[2] work at jobs off their farms has increased over the years. For example, in 1929, approximately 6 percent of farm operators spent 200 or more days working off their farms. In 1987, about 35 percent of farm operators spent this same number of days working off their farms.

Table 1.1: Days Worked Off The Farm

Year	Number of days worked off-farm			
	None or not reporting	1-99	100-199	200 or more
	percent of farm operators			
1929	69.7	18.8	5.2	6.3
1934	69.5	19.3	5.1	6.1
1939	71.3	13.2	6.2	9.3
1944	73.2	8.4	4.2	14.2
1949	61.1	15.5	5.8	17.5
1954	55.0	17.1	6.4	21.5
1959	55.1	15.0	6.2	23.7
1964	53.7	14.2	6.0	26.1
1969	45.7	14.3	8.0	31.9
1974	55.6	8.6	6.9	28.9
1978	46.7	11.2	8.0	34.1
1982	47.0	10.0	8.4	34.6
1987	46.6	9.6	8.5	35.3

Source: Department of Commerce.

[2]Farm operators are defined by the Census of Agriculture as the individual owners, the operators, the senior partners, or persons in charge.

Off-farm income represents approximately one-half of farmers' total cash income.[3] As table 1.2 shows, this proportion has remained fairly stable over the last 11 years.

Table 1.2: Off-farm Income as a Percentage of Farm Operators' Total Cash Income

Year	Total cash income	Off-farm income	Off-farm income as percentage of total cash income
	--(Dollars in Billions)--		
1979	67.2	33.8	50.3
1980	68.9	34.7	50.4
1981	68.6	35.8	52.2
1982	74.2	36.4	49.1
1983	73.9	37.0	50.1
1984	77.5	38.9	50.2
1985	89.3	42.6	47.7
1986	96.4	44.6	46.3
1987	101.3	46.8	46.2
1988	108.9	51.7	47.5
1989[a]	107.0	54.0	50.5

[a]1989 data are estimated.

Source: USDA.

[3]Total cash income includes net cash farm income (cash revenues from farming minus related cash expenses), government payments, and income earned from outside the farming operation.

SECTION 2

DISTRIBUTION OF FARM PROGRAM PAYMENTS--1985 THROUGH 1988

This section provides information on government farm program payments before and after enactment of the Food Security Act of 1985. Payments include any payments to farmers in cash or certificates for participating in any state or federal farm program. Generally, these programs are federal farm price and income support programs that assist in making U.S. farm commodities more competitive in the world marketplace while maintaining farm income.

The section gives information for calendar years 1985 through 1988, with 1985 being the only year with payment data attributable solely to the previous farm bill. All data in this section relate only to farms that receive federal and/or state farm program payments. It should be noted that 1986 is a transition year--some outlays are attributable to the 1985 farm bill and others to the previous farm bill. In our analysis, we break down the distribution of farm payments by production specialty, farm size (sales class), region of the country, level of income earned on the farm, level of income earned off the farm, and the amount of farm payments received. (See app. I for data tables.)

PAYMENT DISTRIBUTION BY PRODUCTION SPECIALTY

Figures 2.1 and 2.2 show the percentage of total participating farms represented by each production specialty[1] and the percentage of total farm payments going to each production specialty respectively for the years 1985 through 1988. During this period, cash grain farms represented close to half of all participating farms, and they also received over half of all farm payments. Figure 2.2 also shows that cash grain farms received a slightly lower percentage of the total payments in 1988 than in 1985 and that beef, hog, and sheep farms received a higher percentage.

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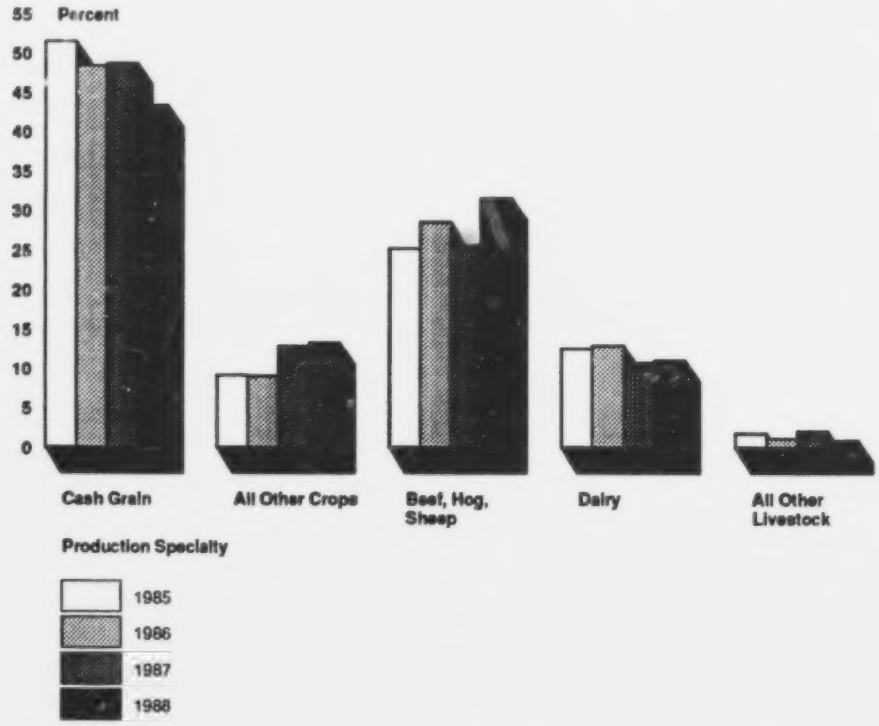
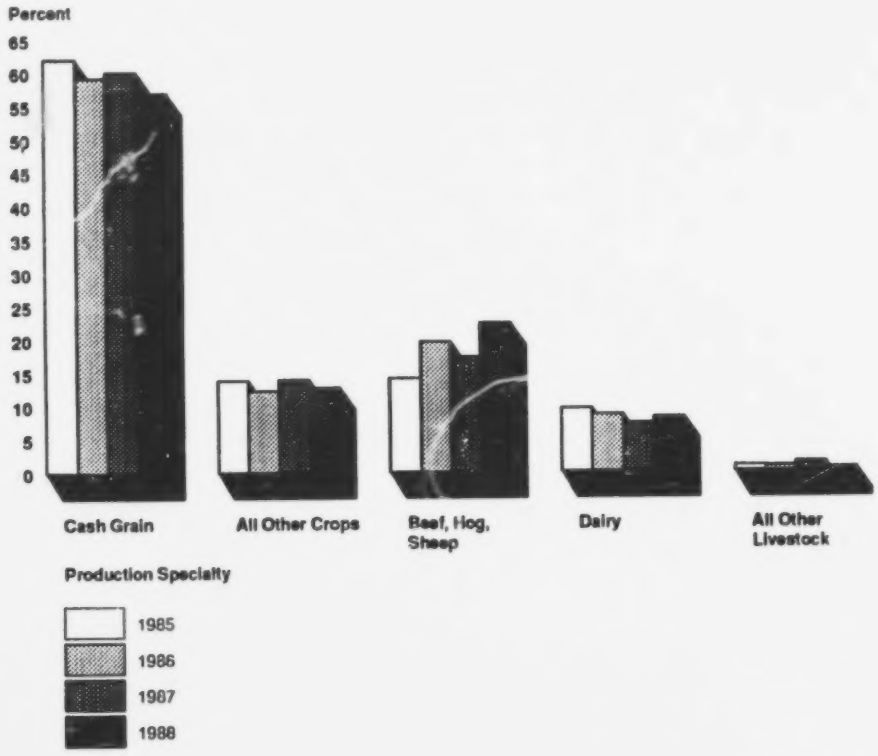
[1]Production specialty is determined by that production activity, such as raising beef, hogs, and sheep, that represents at least one-half of farm sales.

Figure 2.1: Percentage of Farms by Production Specialty



Source: USDA.

Figure 2.2: Percentage of Payments Received by Farms by Production Specialty

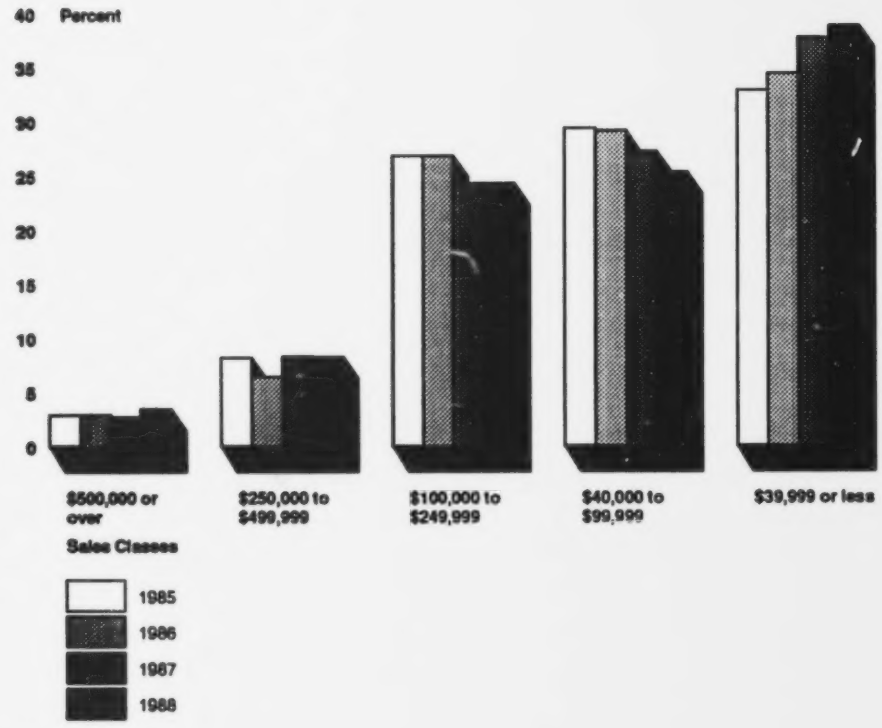


Source: USDA.

PAYMENT DISTRIBUTION BY SALES CLASSES

Figures 2.3 and 2.4, respectively, show the percentage of farms represented by various sales classes and the percentage of farm payments going to each class for the years 1985 through 1988.[2] Throughout the period, the largest percentage of payments went to the $100,000 to $249,000 sales class--averaging about 37 percent of all payments. This sales class averaged about 26 percent of all farms from 1985 through 1988.

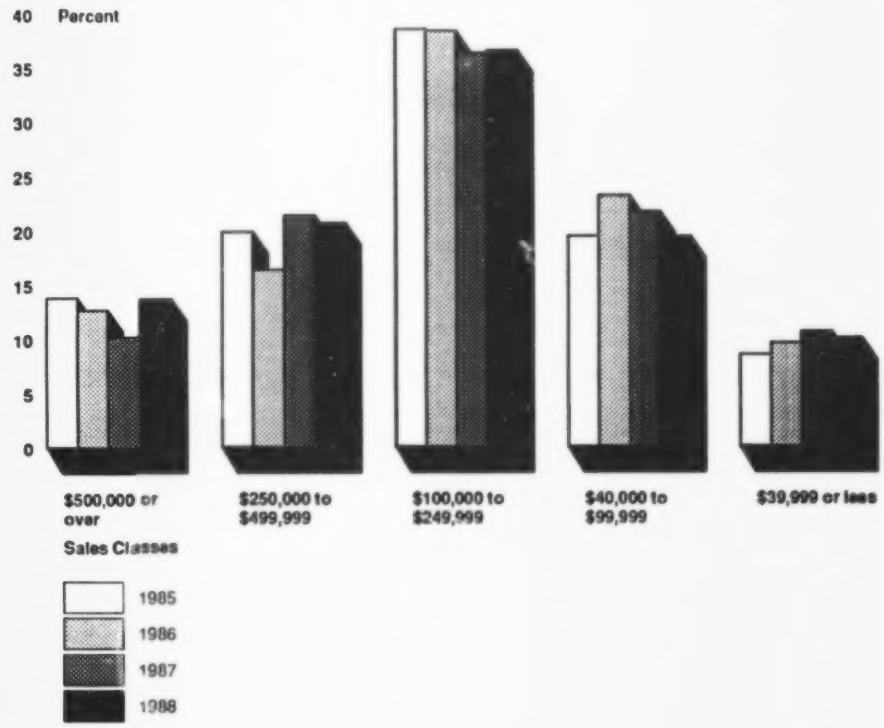
Figure 2.3: Percentage of Farms by Sales Classes



Source: USDA.

[2]Sales classes are defined as different ranges of dollar sales from farm operations.

Figure 2.4: Percentage of Payments Received by Farms by Sales Classes

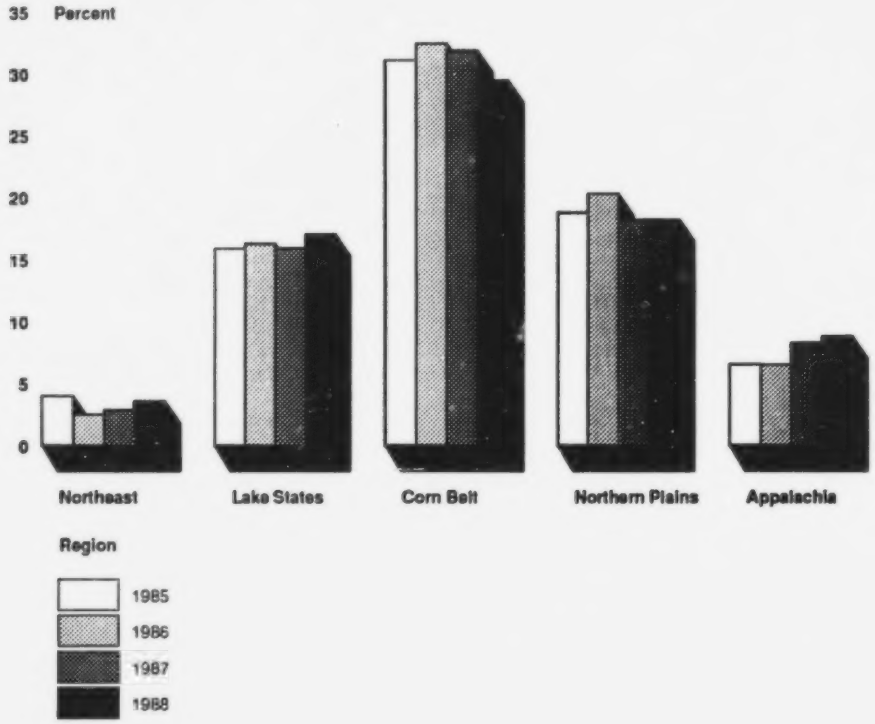


Source: USDA.

PAYMENT DISTRIBUTION BY GEOGRAPHIC REGION

Figures 2.5 and 2.6 show the percentage of farms and the percentage of farm payments, respectively, by geographic region for the years 1985 through 1988. As the figures show, the Corn Belt represents the largest percentage of both participating farms and farms receiving payments during the period.

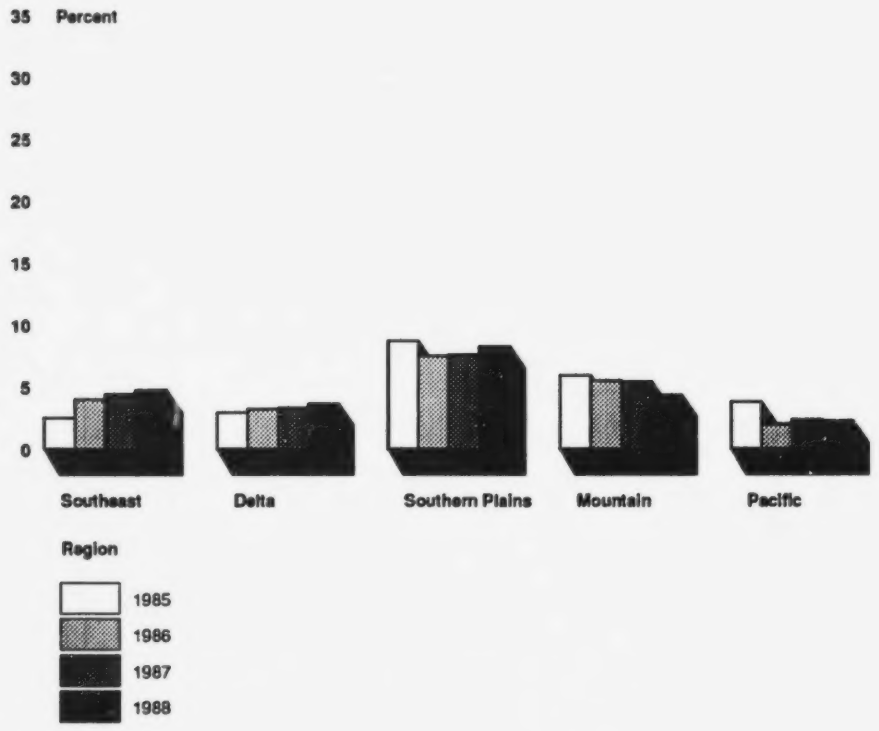
Figure 2.5: Percentage of Farms By Region[a]



(continue)

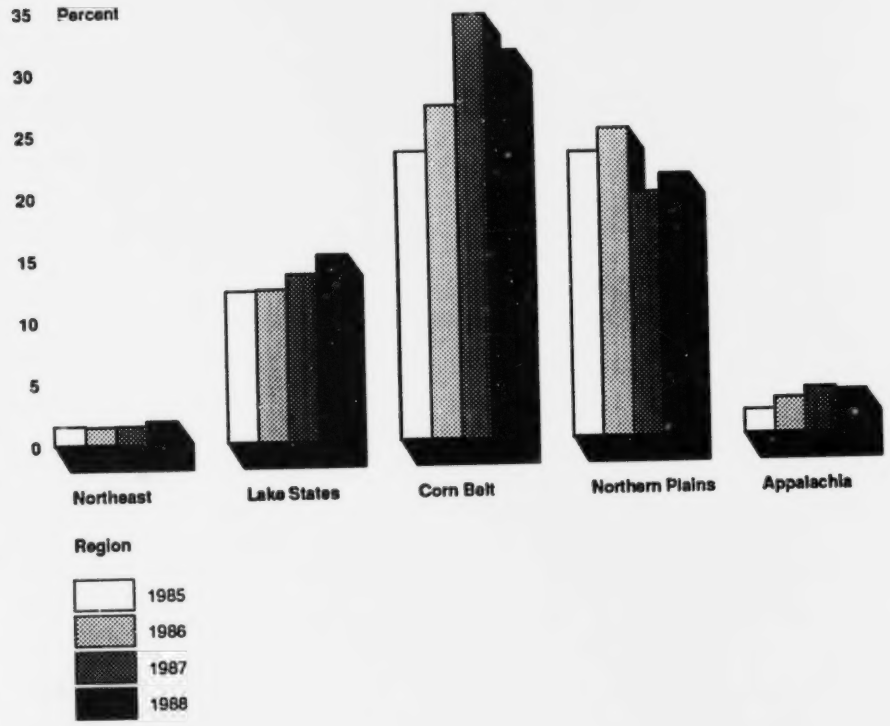
[a]The states in each region are defined as follows: Northeast--Conn., Del., Mass., Md., Me., N.J., N.H., N.Y., Penn., R.I., Vt.; Lake States--Mich., Minn., Wis.; Corn Belt--Iowa, Ill., Ind., Mo., Ohio; Northern Plains--Kans., N. Dak., Neb., S. Dak.; Appalachia--Ky., N.C., Tenn., Va., W.Va.; Southeast--Ala., Fla., Ga., S.C.; Delta--Ark., La., Miss.; Southern Plains--Okla., Tex.; Mountain--Ariz., Colo., Idaho, Mont., N. Mex., Nev., Utah, Wyo.; Pacific--Calif., Oreg., Wash.

Continuation of Figure 2.5



Source: USDA.

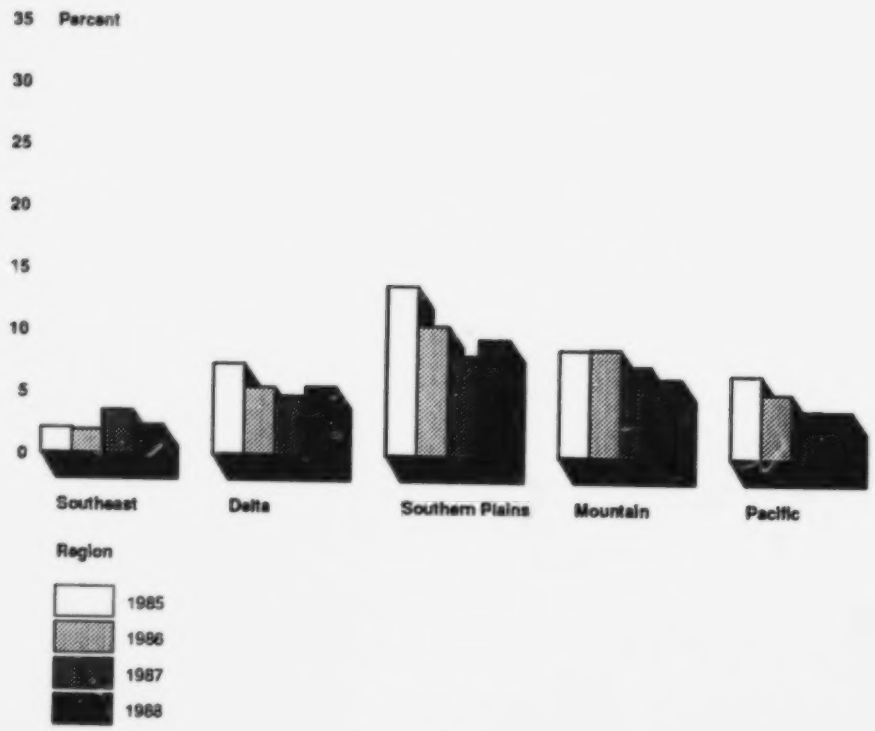
Figure 2.6: Percentage of Payments Received by Farms by Region[a]



(continue)

[a]See note on p. 18.

Continuation Figure 2.6



Source: USDA.

PAYMENT DISTRIBUTION BY LEVEL OF NET CASH FARM INCOME

Figures 2.7 and 2.8, respectively, give the percentage of farms represented and the percentage of payments received by level of net cash farm income.[3] The percentage of farms with a net cash farm income of $40,000 or more decreased while the percentage of farms with a net cash farm income of $39,999 to -$9,999 increased. Similarly, the percentage of payments going to farms with a net cash farm income of $40,000 or more decreased, and it increased for those with a net cash farm income of $39,999 to -$9,999. As shown by the figures, between 1985 and 1988, the percentage of farms with net cash farm income of $100,000 or more fell from 8 percent to about 6 percent, and the share of total payments going to these farms fell from about 24 percent to about 18 percent. In contrast, the percentage of farms with a net cash farm income of zero or less averaged about 27 percent from 1985 through 1988, and the share of payments going to this group increased from about 20 percent in 1985 to almost 23 percent in 1988.

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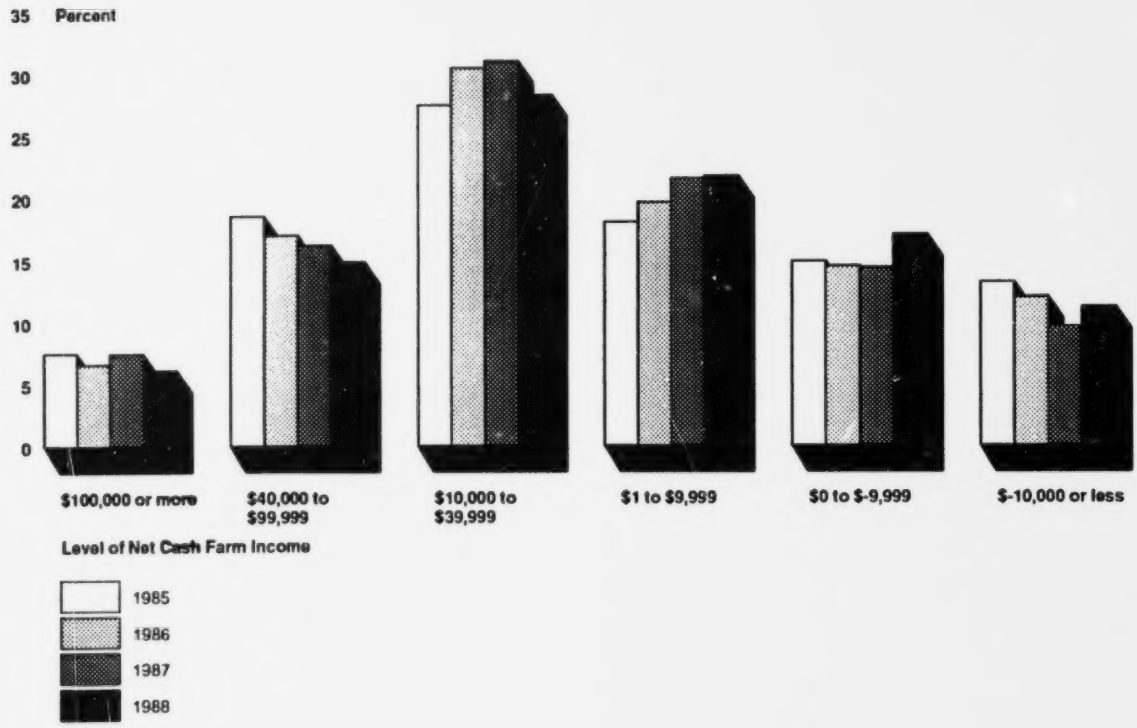
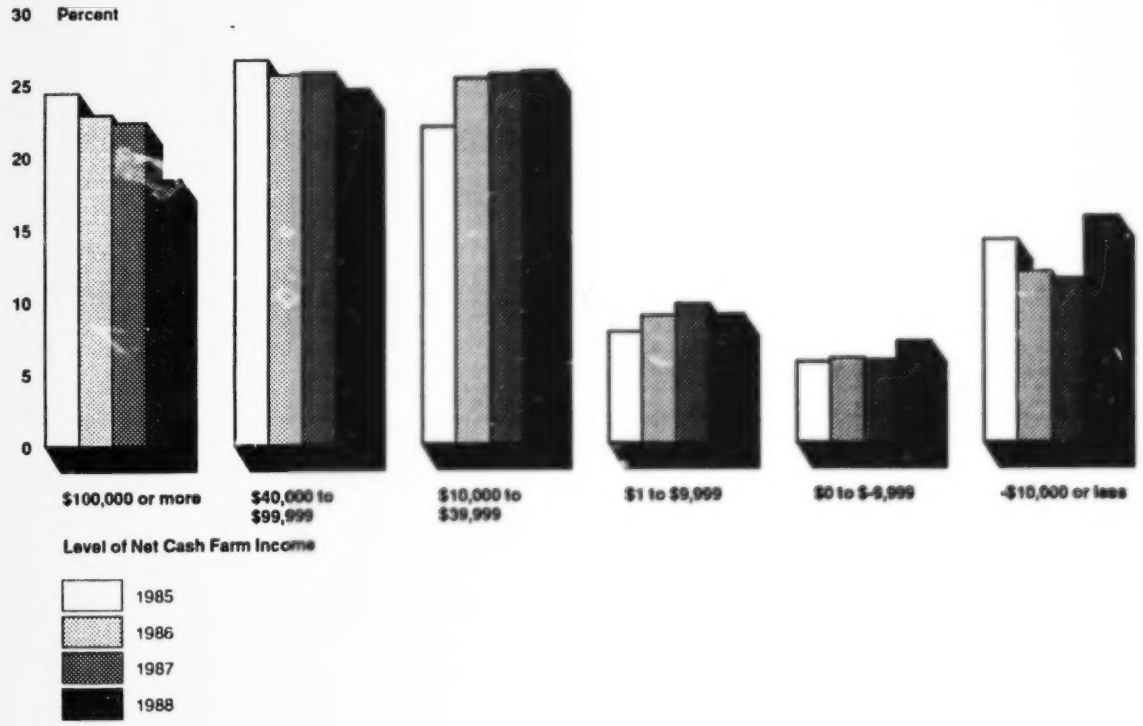
[3]Net cash farm income is gross cash farm income minus all operating expenses, including interest payments, but excluding principal repayment.

Figure 2.7: Percentage of Farms by Net Cash Farm Income Level



Source: USDA.

Figure 2.8: Percentage of Payments Received by Farms by Level of Net Cash Farm Income

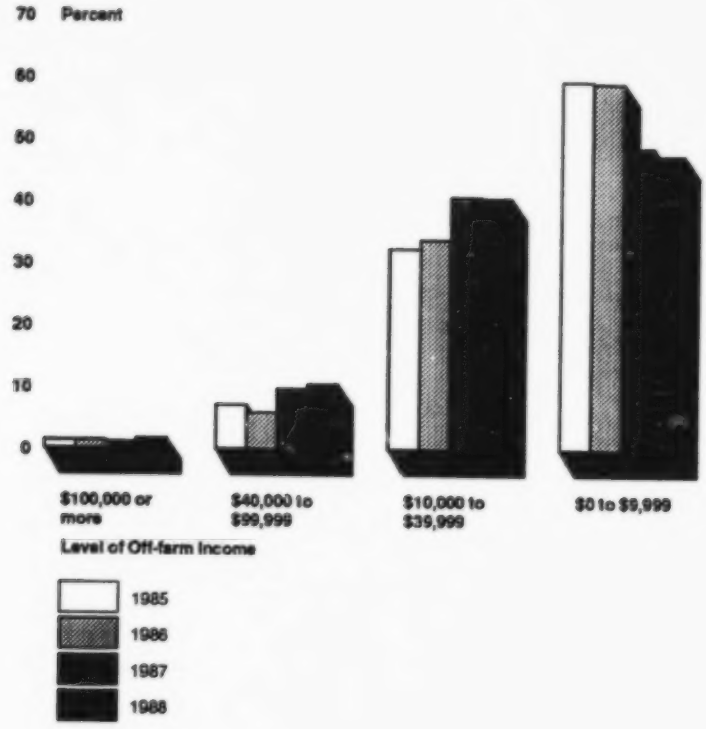


Source: USDA.

PAYMENT DISTRIBUTION BY LEVEL OF INCOME EARNED OFF THE FARM

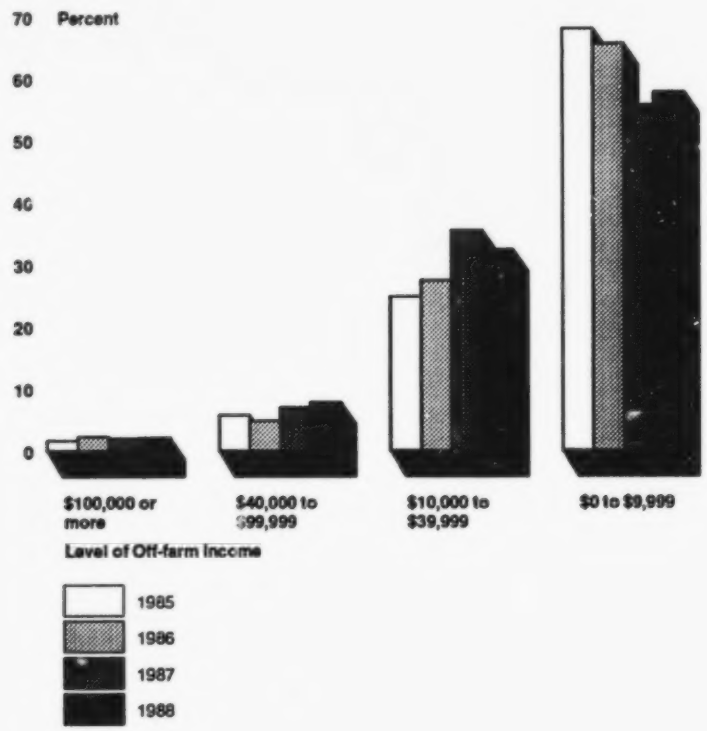
Off-farm income includes cash income received from an off-farm business; off-farm wages or salaries; interest and dividends; and other off-farm sources such as nonfarm rental property, social security, and retirement received by farm operators and other household members. Figure 2.9 shows the percentage of farms that fall into various off-farm income levels. Figure 2.10 shows that between 1985 and 1988, most payments went to farms with off-farm income of less than $10,000.

Figure 2.9: Percentage of Farms by Level of Income Earned Off the Farm



Source: USDA.

Figure 2.10: Percentage of Payments Received by Farms by Level of Off-farm Income



Source: USDA.

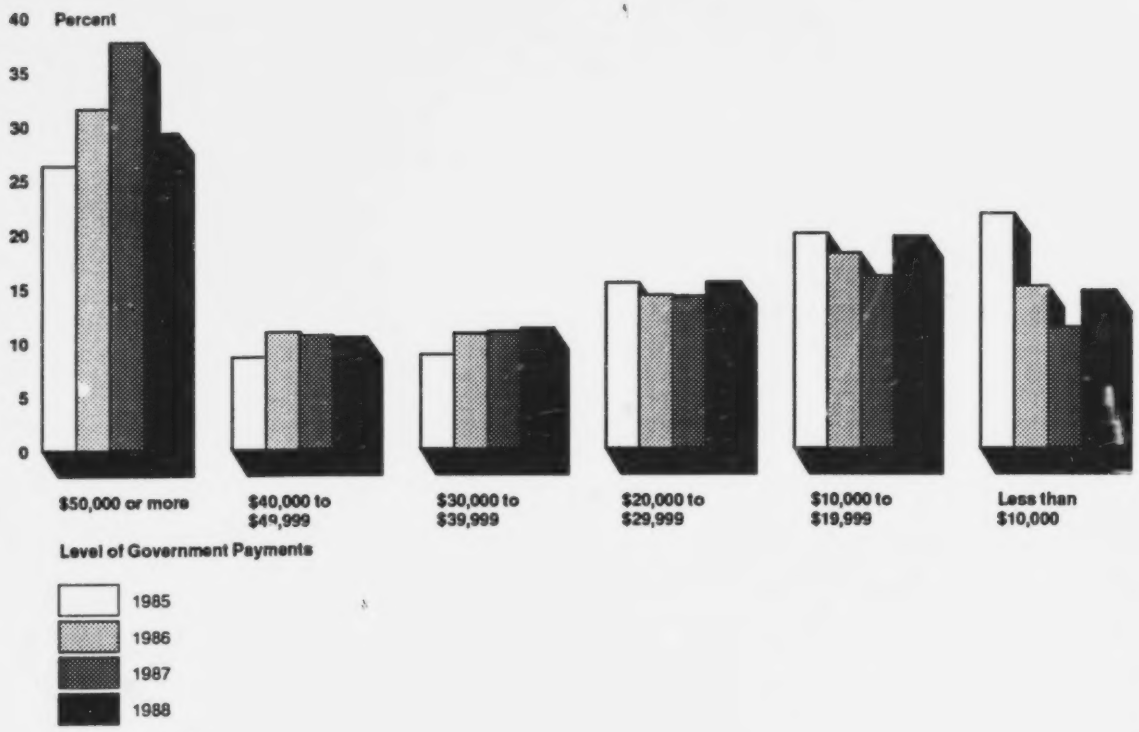
PERCENTAGE OF FARMS RECEIVING VARIOUS LEVELS OF PAYMENTS

During 1985 through 1988, the percentage of farms receiving payments of $50,000 or more is relatively small compared to the majority of participating farms that are receiving less than $10,000. However, payments of $50,000 or more represent the largest percentage of total payments, although that percentage decreased in 1988 from 1986 and 1987 levels. Figure 2.11 shows the percentage of farms receiving various levels of payments, and figure 2.12 shows the percentage of total payments represented by different dollar payment levels.

Figure 2.11: Percentage of Farms by Payment Level

Source: USDA.

Figure 2.12: Percentage of Total Payments by Payment Levels



Source: USDA.

FARM PROGRAM PAYMENT DATA TABLES

The source for all data in this appendix is USDA. Tables I.1 through I.4 show the number of farms that received payments and the average payments by production specialty from 1985-88.

Table I.1: Number of Participating Farms and Average Payment by Production Specialty, 1985

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	525,570	100.0	$10,490	100.0
Production Specialty:				
Cash grain	270,277	51.4	12,644	62.0
All other crops[a]	47,940	9.1	15,803	13.7
Beef, hog, sheep	132,424	25.2	5,849	14.1
Dairy	65,671	12.5	7,925	9.4
All other livestock	9,257	1.8	4,686	0.8

Note: Totals may not add due to rounding.
[a]Separate cotton-farm data not available.

Table I.2: Number of Participating Farms and Average Payment by Production Specialty, 1986

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	537,466	100.0	$14,614	100.0
Production Specialty:				
Cash grain	259,866	48.4	17,871	59.1
All other crops[a]	48,464	9.0	19,794	12.2
Beef, hog, sheep	153,495	28.6	9,967	19.5
Dairy	69,329	12.9	9,634	8.5
All other livestock	6,311	1.2	8,403	0.7

Note: Totals may not add due to rounding.
[a]Separate cotton-farm data not available.

Table I.3: Number of Participating Farms and Average Payment by Production Specialty, 1987

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	596,898	100.0	$18,017	100.0
Production Specialty:				
Cash grain	290,570	48.7	22,232	60.1
Cotton	21,787	3.7	38,294	7.8
All other crops	54,616	9.2	12,799	6.5
Beef, hog, sheep	153,283	25.7	12,080	17.2
Dairy	64,226	10.8	12,034	7.2
All other livestock	12,415	2.1	10,946	1.3

Note: Totals may not add due to rounding.

Table I.4: Number of Participating Farms and Average Payment by Production Specialty, 1988

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	632,690	100.0	$14,257	100.0
Production Specialty:				
Cash grain	273,955	43.3	18,700	56.8
Cotton	18,095	2.9	32,785	6.6
All other crops	65,483	10.4	8,274	6.0
Beef, hog, sheep	199,804	31.6	10,032	22.2
Dairy	69,596	11.0	10,423	8.0
All other livestock	5,821	0.9	5,779	0.4

Note: Totals may not add due to rounding.

Tables I.5 through I.8 show the number of farms that received payments and the average payments by sales class from 1985-88.

Table I.5: Number of Participating Farms and Average Payment by Sales Class, 1985

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	525,570	100.0	$10,490	100.0
Sales Class:				
$500,000 or over	15,365	2.9	49,704	13.9
$250,000 to $499,999	43,106	8.2	25,345	19.8
$100,000 to $249,999	140,921	26.8	15,063	38.5
$40,000 to $99,999	154,013	29.3	6,938	19.4
$10,000 to $39,999	120,433	22.9	3,429	7.5
$9,999 or less	51,731	9.8	1,022	1.0

Note: Totals may not add due to rounding.

Table I.6: Number of Participating Farms and Average Payment by Sales Class, 1986

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	537,466	100.0	$14,614	100.0
Sales class:				
$500,000 or over	15,588	2.9	64,049	12.7
$250,000 to $499,999	34,651	6.5	37,049	16.4
$100,000 to $249,999	144,099	26.8	20,885	38.3
$40,000 to $99,999	156,261	29.1	11,614	23.1
$10,000 to $39,999	131,695	24.5	4,956	8.3
$9,999 or less	55,172	10.3	1,723	1.2

Note: Totals may not add due to rounding.

Table I.7: Number of Participating Farms and Average Payment by Sales Class, 1987

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	596,898	100.0	$18,017	100.0
Sales class:				
$500,000 or over	15,997	2.7	68,705	10.2
$250,000 to $499,999	49,363	8.3	46,416	21.3
$100,000 to $249,999	144,807	24.3	26,959	36.3
$40,000 to $99,999	162,297	27.2	14,350	21.7
$10,000 to $39,999	151,672	25.4	6,305	8.9
$9,999 or less	72,762	12.2	2,415	1.6

Note: Totals may not add due to rounding.

Table I.8: Number of Participating Farms and Average Payment by Sales Class, 1988

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	632,690	100.0	$14,257	100.0
Sales class:				
$500,000 or over	21,701	3.4	56,571	13.6
$250,000 to $499,999	52,260	8.3	35,599	20.6
$100,000 to $249,999	154,060	24.4	21,364	36.5
$40,000 to $99,999	159,691	25.2	10,917	19.3
$10,000 to $39,999	156,591	24.8	4,930	8.6
$9,999 or less	88,324	14.0	1,410	1.4

Note: Totals may not add due to rounding.

Tables I.9 through I.12 show the number of farms that received payments and the average payments by region from 1985-88.

Table I.9: Number of Participating Farms and Average Payment by Region, 1985

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	525,570	100.0	$10,490	100.0
Region:				
Northeast	20,993	4.0	3,947	1.5
Lake States	83,317	15.9	8,078	12.2
Corn Belt	163,294	31.1	7,842	23.2
Northern Plains	98,598	18.8	12,838	23.0
Appalachia	34,201	6.5	3,065	1.9
Southeast	13,169	2.5	8,486	2.0
Delta	15,372	2.9	26,185	7.3
Southern Plains	45,730	8.7	16,436	13.6
Mountain	31,136	5.9	15,230	8.6
Pacific	19,759	3.8	18,529	6.6

Note: Totals may not add due to rounding.

Table I.10: Number of Participating Farms and Average Payment by Region, 1986

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	537,466	100.0	$14,614	100.0
Region:				
Northeast	13,486	2.5	8,409	1.4
Lake States	87,278	16.2	11,078	12.3
Corn Belt	174,123	32.4	12,131	26.9
Northern Plains	108,894	20.3	17,902	24.8
Appalachia	34,854	6.5	6,345	2.8
Southeast	21,528	4.0	6,908	1.9
Delta	17,208	3.2	24,886	5.5
Southern Plains	40,183	7.5	20,500	10.5
Mountain	29,377	5.5	23,217	8.7
Pacific	10,535	2.0	38,765	5.2

Note: Totals may not add due to rounding.

Table I.11: Number of Participating Farms and Average Payment by Region, 1987

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	596,898	100.0	$18,017	100.0
Region:				
Northeast	17,071	2.9	9,378	1.5
Lake States	94,787	15.9	15,308	13.5
Corn Belt	189,993	31.8	19,373	34.2
Northern Plains	108,516	18.2	19,481	19.7
Appalachia	49,244	8.3	7,898	3.6
Southeast	26,264	4.4	14,191	3.5
Delta	19,757	3.3	25,747	4.7
Southern Plains	45,125	7.6	19,339	8.1
Mountain	32,292	5.4	24,384	7.3
Pacific	13,848	2.3	30,176	3.9

Note: Totals may not add due to rounding.

Table I.12: Number of Participating Farms and Average Payment by Region, 1988

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	632,690	100.0	$14,257	100.0
Region:				
Northeast	22,524	3.6	7,410	1.9
Lake States	107,494	17.0	12,633	15.1
Corn Belt	186,074	29.4	15,158	31.3
Northern Plains	115,086	18.2	16,502	21.1
Appalachia	55,360	8.8	5,525	3.4
Southeast	29,863	4.7	6,946	2.3
Delta	22,967	3.6	21,458	5.5
Southern Plains	52,134	8.2	16,256	9.4
Mountain	27,269	4.3	21,158	6.4
Pacific	13,919	2.2	24,782	3.8

Note: Totals may not add due to rounding.

Tables I.13 through I.16 show the number of farms that received payments and the average payments by level of net cash farm income from 1985-88.

Table I.13: Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1985

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	525,570	100.0	$10,490	100.0
Net cash farm income:				
$100,000 or more	39,435	7.5	34,047	24.4
$40,000 to $99,999	97,002	18.5	15,113	26.6
$10,000 to $39,999	144,254	27.5	8,370	21.9
$1 to $9,999	94,694	18.0	4,455	7.7
$0 to $-9,999	78,088	14.9	3,914	5.5
$-10,000 to -$39,999	47,904	9.1	7,465	6.5
less than -$40,000	24,192	4.6	17,039	7.5

Note: Totals may not add due to rounding.

Table I.14: Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1986

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	537,466	100.0	$14,614	100.0
Net cash farm income:				
$100,000 or more	35,603	6.6	50,440	22.9
$40,000 to $99,999	90,935	16.9	22,089	25.6
$10,000 to $39,999	163,571	30.4	12,131	25.3
$1 to $9,999	105,366	19.6	6,525	8.8
$0 to $-9,999	77,684	14.5	5,859	5.8
$-10,000 to -$39,999	46,855	8.7	11,297	6.7
less than -$40,000	17,452	3.3	22,551	5.0

Note: Totals may not add due to rounding.

Table I.15: Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1987

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	596,898	100.0	$18,017	100.0
Net cash farm income:				
$100,000 or more	44,533	7.5	53,867	22.3
$40,000 to $99,999	96,290	16.1	28,658	25.7
$10,000 to $39,999	184,992	31.0	14,846	25.5
$1 to $9,999	128,485	21.5	8,000	9.6
$0 to $-9,999	85,457	14.3	7,128	5.7
$-10,000 to -$39,999	43,374	7.3	16,101	6.5
less than -$40,000	13,768	2.3	37,334	4.8

Note: Totals may not add due to rounding.

Table I.16: Number of Participating Farms and Average Payment by Level of Net Cash Farm Income, 1988

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	632,690	100.0	$14,257	100.0
Net cash farm income:				
$100,000 or more	38,657	6.1	42,888	18.4
$40,000 to $99,999	93,512	14.8	23,662	24.5
$10,000 to $39,999	178,735	28.3	12,976	25.7
$1 to $9,999	137,420	21.7	5,806	8.8
$0 to $-9,999	107,494	17.0	5,842	7.0
$-10,000 to -$39,999	57,701	9.1	14,350	9.2
less than -$40,000	19,171	3.0	30,049	6.4

Note: Totals may not add due to rounding.

Tables I.17 through I.20 show the number of farms that received payments and the average payments by level of off-farm income from 1985-88.

Table I.17: Number of Participating Farms and Average Payment by Level of Off-farm Income, 1985

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	525,570	100.0	$10,490	100.0
Off-farm income:				
$100,000 or more	6,908	1.3	12,881	1.6
$40,000 to $99,999	37,216	7.1	8,445	5.7
$10,000 to $39,999	169,541	32.3	8,062	24.8
$0 to $9,999	311,905	59.4	12,001	67.9

Note: Totals may not add due to rounding.

Table I.18: Number of Participating Farms and Average Payment by Level of Off-farm Income, 1986

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	537,466	100.0	$14,614	100.0
Off-farm income:				
$100,000 or more	7,240	1.4	25,026	2.3
$40,000 to $99,999	31,558	5.9	12,023	4.8
$10,000 to $39,999	181,173	33.7	11,862	27.4
$0 to $9,999	317,496	59.1	16,204	65.5

Note: Totals may not add due to rounding.

Table I.19: Number of Participating Farms and Average Payment by Level of Off-farm Income, 1987

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	596,898	100.0	$18,017	100.0
Off-farm income:				
$100,000 or more	6,211	1.0	35,000	2.0
$40,000 to $99,999	57,739	9.7	12,931	6.9
$10,000 to $39,999	242,433	40.6	15,719	35.4
$0 to $9,999	290,438	48.7	20,570	55.6

Note: Totals may not add due to rounding.

Table I.20: Number of Participating Farms and Average Payment by Level of Off-farm Income, 1988

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	632,690	100.0	$14,257	100.0
Off-farm income:				
$100,000 or more	10,476	1.7	18,401	2.1
$40,000 to $99,999	65,622	10.4	10,755	7.8
$10,000 to $39,999	255,973	40.5	11,401	32.4
$0 to $9,999	300,008	47.4	17,340	57.7

Note: Totals may not add due to rounding.

Tables I.21 through I.24 show the number of farms that received payments and the average payments by level of government payments from 1985-88.

Table I.21: Number of Participating Farms and Average Payment by Level of Government Payments, 1985

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	525,570	100.0	$10,490	100.0
Payment level:				
$50,000 or more	18,520	3.5	78,127	26.2
$40,000 to $49,999	10,556	2.0	44,443	8.5
$30,000 to $39,999	13,986	2.7	34,244	8.7
$20,000 to $29,999	35,608	6.8	23,602	15.2
$10,000 to $19,999	78,742	15.0	13,813	19.7
less than $10,000	368,158	70.1	3,233	21.6

Note: Totals may not add due to rounding.

Table I.22: Number of Participating Farms and Average Payment by Level of Government Payments, 1986

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	537,466	100.0	$14,614	100.0
Payment level:				
$50,000 or more	29,688	5.5	83,344	31.5
$40,000 to $49,999	18,779	3.5	45,277	10.8
$30,000 to $39,999	24,404	4.5	34,257	10.6
$20,000 to $29,999	45,708	8.5	24,318	14.2
$10,000 to $19,999	99,132	18.4	14,224	18.0
less than $10,000	319,755	59.5	3,666	14.9

Note: Totals may not add due to rounding.

Table I.23: Number of Participating Farms and Average Payment by Level of Government Payments, 1987

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	596,898	100.0	$18,017	100.0
Payment level:				
$50,000 or more	49,967	8.4	81,042	37.7
$40,000 to $49,999	25,881	4.3	43,726	10.5
$30,000 to $39,999	34,215	5.7	34,062	10.8
$20,000 to $29,999	61,590	10.3	24,447	14.0
$10,000 to $19,999	119,573	20.0	14,269	15.9
less than $10,000	305,673	51.2	3,912	11.1

Note: Totals may not add due to rounding.

Table I.24: Number of Participating Farms and Average Payment by Level of Government Payments, 1988

	Number of farms	Percent of farms	Average payment	Percent of total U.S. payments
Total Participating Farms	632,690	100.0	$14,257	100.0
Payment level:				
$50,000 or more	33,889	5.4	77,834	29.2
$40,000 to $49,999	20,976	3.3	44,393	10.3
$30,000 to $39,999	29,383	4.6	34,084	11.1
$20,000 to $29,999	56,519	8.9	24,395	15.3
$10,000 to $19,999	125,555	19.8	14,041	19.5
less than $10,000	366,367	57.9	3,571	14.5

Note: Totals may not add due to rounding.

APPENDIX II

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